

Message Text

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ACTION NEA-12

INFO OCT-01 ISO-00 ABF-01 FSE-00 CU-04 AGR-20 SSO-00

NSCE-00 SPC-03 AID-20 EB-11 NSC-10 RSC-01 CIEP-02

TRSE-00 SS-20 STR-08 OMB-01 CEA-02 FBO-01 PRS-01 PA-04

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 EUR-25 INRE-00 DODE-00 L-03 H-03 IO-14

SCI-06 NSF-04 HEW-08 EPA-04 NASA-04 SMI-01 DOTE-00

INT-08 HUD-02 LOC-01 DRC-01 IGA-02 /246 W

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O 151225Z DEC 73

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC IMMEDIATE 8527

INFO USIA WASHDC IMMEDIATE

UNCLAS NEW DELHI 14780

E.O. 11652: N/A

TAGS: EFIN, IN

SUBJECT: RUPEE AGREEMENT MEDIA COVERAGE

BEGIN SUMMARY: ZTE RUPEE STMY MEDIA COVERAGE WAS HEAVY, ACCURATE, AND GRATIFYING THROUGHOUT INDIA. FIRSTXADAY COVERAGE WAS LARGELY PAGE ONE, SECOND DAY COVERAGE IN EDITORIALS FOLLOWED SAME CONSTRUCTIVE PATTERN, WITH OPPOSITION AND LEFT PRESS PREDICTIBLY NEGATIVE. END SUMMARY

1. INDIAN MEDIA COVERAGE OF THE RUPEE AGREEMENT INITIALLING WAS VERY HEAVY AND POSITIVDLTHROUGHOUT THE COUNTRY, INCLUDING ALL MAJOR DAILIES, AIR RADIO AND TV, AND SPECIALTY PAPERS SUCH AS FINANCIAL EXPRESS AND ECONOMIC TIMES. PTI AND UNI CARRIED HEAVY WIRE COPY ON DETAILS OF THE AGREEMENT AND AMBASSADOR'S DELHI PRESS CLUB APPEARANCE, AND MANY PAPE UNCLASSIFIED

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COMBINED THE TWO INTO ONE LONGSTORY. GENERAL THRUST WAS "MAJOR ACHIEVEMENT."

2. POSITIVE COMMENTS INCLUDE MADRAS MAIL EDITORIAL WITMD TITLE "EPOCH-MAKING PACT," WHICH SAYS: "...IT IS NOT AN AGREEMENT FORCED ON A COUNTRY BY A SUPERPOWER FOR ITS OWN REASONS. IT IS...FREELY ENTERED INTO BY A SUPERPOWER WITH INDIA TO THE BENEFIT OF BOTH OF THEM, AND ACCEPTED BY THE LATTER....MR. MOYNIHAN HAS GONE A GREAT WAY AHEAD IN THIS DIRECTION AND HIS GOOD WORK HAS EXCELLED THAT OF HIS PREDECESSORS. HERE IS AN OPPORTUNITY FOR PRIME MINISTER GANDHI TO ACT. SHE SHOULD, TAKING ADVANTAGE OF THE NEW EPOCH THAT HAS STARTED, FORGE FORWARD AND CONCLUDE A FRIENDSHIP PACT WITH THE USA. A MORE PROPITIOUS TIME CANNOT BE HAD FOR SUCH A MOVE

3. TIMES OF INDIA, IN A LEAD EDITORIAL, COMMENTS THAT: "...IN THE OLD CONTEXT, THE AGREEMENT COULD NOT HAVE LAID THE FOUNDATIONS OF GENUINE AND LONG-TERM INDO-U.S. UNDERSTANDING. BUT WHEN THE U. S. IS ACTIVELY SEEKING SOVIET CO-OPERATION IN THE CAUSE OF PEACE IN WEST ASIA AND IS WILLING TO DO ALL IT CAN TO PROMOTE AN HONORABLE SETTLEMENT OF THE ARAB-ISRAELI DISPUTES, THE CHARACTER AND CONTENT

OF THE FRIENDSHIP BETWEEN THE U. S., IRAN AND PAKISTAN ARE ALSO LIKELY TO CHANGE TO INDIA'S ADVANTAGE."

4. DELHI'S HINDUSTAN TIMES, SOMEWHAT ROUGHLY, COMMENTS THAT "MR. MOYNIHAN AND MR. T. N. KAUL AND OTHERS IN THE TWO GOVERNMENTS HAVE LABORED HARD TO CONCLUDE A REASONABLE AND SENSIBLE SETTLEMENT THAT IS IN THE ESSENTIAL INTEREST OF BOTH INDIA AND THE UNITED STATES, DESPITE THE SHRILL PROTESTS OF SOME INDIAN CRITICS WHO ARE MERELY BELCHING POLITICALLY AFTER HAVING EATEN THEIR FILL OF ALL THIS AMERICAN GRAIN FOR SO MANY YEARS."

5. FINANCIAL EXPRESS OF BOMBAY, CALLING THE AGREEMENT "A FAIR DEAL," EDITORIALISES: "ALTHOUGH A SMALL SECTION OF PUBLIC OPINION IN THIS COUNTRY MAY WELL FEEL THAT THE P.L. 480 DEBT WAS NOT FULLY WRITTEN OFF AS THE U. S. DID IN THE CASE OF THE MARSHALL PLAN, THE OUTRIGHT GRANT OF ALMOST TWO-THIRDS OF THE RUPEE FUNDS SHOULD BE CONSIDERED A REMARKABLE ACHIEVEMENT IN THE CONTEXT OF THE OPPOSITION TO ANY SUCH DILUTION MOUNTED IN WASHINGTON...IN FACT, IT IS THE JOINT DECISION OF THE HOUSE FOREIGN AFFAIRS AND SENATE FOREIGN RELATIONS UNCLASSIFIED

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COMMITTEES TO REJECT SUCH MOVES EARLIER THIS YEAR THAT HAS PAVED THE WAY FOR THE PRESENT SETTLEMENT."

6. SOME OPPOSITION PAPERS CLAIMED "INFLATIONARY EFFECT." ADVANTAGES TO
O
USG IN RUPEES-TO-DOLLARS CONVERSIONS, ETC., WHILE LEFT PRESS ALLEGED "INSULT TO PARLIAMENT," "DOLLAR DIPLOMACY," "POTENTIAL FOR CIA MISUSE OF US FUNDS."

7. VERNACULAR PAPERS FOLLOWED WIRE SERVICE COPY, ALTHOUGH THE LEFT EMPHASIZED THE "FURORE IN PARLIAMENT" (CALCUTTA KALANTAR), THE CENTER CITED "AMERICAN GENEROSITY," (TELEGU DINAMANI), AND THE RIGHT FOLLOWED MOTHERLAND'S LEAD THAT "INDIA COMES OFF SECOND BEST."

8. NATIONAL HERALD, FOUNDED BY NEHRU, EDITORIALIZED THAT THE ALHEEMEN
T
REMOVED A MAJOR IRRITANT, BUT TOSSED IN COMMENTS ABOUT CIA AND PIOUS
HOPE THAT USG ACTIVITIES IN INDIA "WILL NOT BE USED AGAINST THE INTER
ESTS OF
THIS COUNTRY." AS USUAL, HERALD HARPED ON USG SLOWLY RECTIFYING PAST
MISTAKES, BUT EDITORIAL OVERALL WAS UPBEAT.

9. BOMBAY'S ECONOMIC TIMES, INFLUENTIAL
IN COUNTRY, LAUDED THE AGREEMENT AS A JOINT ACHIEVEMENT, AD HEAPED
PRAISE ON "SAGACIOUS, SYMPATHETIC NEGOTIATIONS" OF AMBASSADOR MOYNIHA
N
--BUT CALCUTTA'S ANANDA BAZAR PATRIKA, INDIA'S LARGEST PAPER, CALLED
ATTENTION TO USG'S EARLIER WRITE-OFF OF MARSHALL PLAN OBLIGATIONS AND
ASKED "WHY NOT INDIA?" AND WENT ON EDITORIALY TO SAY "THE NOOSE
WHICH U.S. ASSISTANCE FIXED AROUND INDIA'S NECK HAS NOT BEEN TOTALLY
UNFASTENED, BUT ONLY A LITTLE LOOSRSB." SISTER PAPER HINDUSTHAN STAN
DARD
ADDED: "WASHINGTON WOULD HAVE EARNED THE GRATITUDE OF INDIA IF IT HAD
LIQUIDATED THE ENTIRE LOAN FUNDS."

10. BOMBAY DAILIES WERE ALL VERY FAVORABLE, AND CARRIED ACCURATE MATE
RIAL
EMPHASIZING THEMES OF SUCCESSFUL DIPLOMACY, EASING OF TENSIONS, WELCO
ME
CHANGE, BASIS FOR IMPROVED RELATIONS, TRIUMPH FOR MOYNIHAN. SECOND-DA
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Y
EDITORIAL WRITERS ALL FOLLOWED GENERAL SATISFACTION WITH AGREEMENT.
FREE PRESS JOURNAL, FREQUENTLY CRITICAL OF USG IN PAST, PRAISED THE
"COMPROMISE AGREEMENT" AND NOTED "A DISCERNABLE AND WELCOME CHANGE
IN THE COOLNESS THAT HAS MARKED WASHINGTON'S ATTITUDE TOWARD THIS
COUNTRY SINCE THE BANGLADESH CRISIS."

11. MANY OUT-COUNTRY PAPERS USED THE USIS-SUPPLIED PHOTOGRAPH,
WIREPHOTOED TO THE BRANCHES SHORTLY AFTER THE CEREMONY.

12. AIR AND ARI-TV DEVOTED LARGE AMOUNTS OF AIRTIME TO THE EVENT, WIT
H
UNCOLORED, IF CONFKYED PRESENTATIONS. TV CARRIED A MUDDLED DISCUSSION
BETWEEN NOTED ECONOMIST NAQPR AND A STAFF REPORTER; RADIO HAD A FIFTE
EN-
MINUTE "SPOTLIGHT" FEATURE WITH MANAGEMENT EXPERT SRIVASTAVA.

COMMENT: GIVEN INDIA'S HIGHLY INDIVIDUALISTIC PRESS AND HIGHLY CAUTIO
US
GOI-CONTROLLED RADIO-TV, COVERAGE WAS EMPHATICALLY SATISFACTORY, HELP
FUL,
AND ACCURATE. INTERESTINGLY: THE ONLY INSTANCE OF A FACTUAL ERROR, B

Y

UNI, WAS CORRECTED AND A RETRACTION CARRIED IMMEDIATELY AFTER A
USIS OFFICER FLAGGED THE ERROR FOR THEM IN A PERSONAL APPEARANCE
AT THE UNI OFFICE.

THE NEGATIVES WERE PREDICTIBLE AND LESS THAN ANTICIPATED, THE
POSIT MES EXCEEDED EXPECTATIONS. END OF COMMENT.
MOYNIHAN

UNCLASSIFIED

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Message Attributes

Automatic Decaptioning: X
Capture Date: 10 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, AGREEMENTS, RUPEE, EXCESS FOREIGN EXCHANGE
Control Number: n/a
Copy: SINGLE
Draft Date: 15 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973NEWDE14780
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731256/abqcegeq.tel
Line Count: 172
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 05 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05-Dec-2001 by williad>; APPROVED <19 FEB 2002 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: RUPEE AGREEMENT MEDIA COVERAGE
TAGS: EFIN, IN
To: STATE INFO USIA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005